

DATE:	July 30,	2021
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**TO:** Todd Wyett, Chairman

State Transportation Commission

FROM: Paul C. Ajegba

Director

**SUBJECT:** Waiver of Commission Approval

The project and description documented in Exhibit A-1 attached, will be awarded by the Michigan Department of Transportation in September, 2021. This project requires pre-approval as the engineers' estimate is over \$500,000 but does not go through the traditional let process as it will be built using a Construction Manager / General Contractor (CMGC) contracting method. The approximate 12-week delay resulting if Commission pre-approval were deferred to the next STC meeting on October 21, 2021, would delay the transmittal of the contract documents to the selected contractor, and jeopardize the construction schedule.

The projects and descriptions documented in Exhibit A-2, attached, were let by the Michigan Department of Transportation on July 9, 2021. The low bids received were more than 10% over the engineers' estimate, and therefore require approval by the STC. The approximate 12-week delay resulting if Commission approval were deferred to the next STC meeting on October 21, 2021 would delay the transmittal of the contract documents to the low bidders and jeopardize the construction schedule.

The projects and descriptions documented in Exhibit A-3, attached, were let on July 9, 2021. These projects are being submitted for informational purposes since only one bid was received for these projects and the engineers' estimates were less than \$500,000.

Thus, a waiver of the required Commission approval is requested, as provided in Commission Resolution 79-3, as amended, footnote F:

"If, in the opinion of the Director, the public interest requires that a certain contract be awarded or an agreement be executed prior to approval by the Commission, hereunder, the Director shall seek a waiver of the required approval from the Chairman of the Transportation Commission. If the request of the approval is verbal, the waiver shall be confirmed, in writing, within fourteen (14) days."

If the waiver is granted, the Department will proceed to execute the items noted above.

	Director
The request for waiver of Commission approval of	the above-mentioned item is approved.
Todd Wyett, Chairman	Date

# REQUEST FOR MICHIGAN STATE TRANSPORTATION COMMISSION APPROVAL BID LETTING PRE-APPROVAL

July 30, 2021

The following contracts are being submitted for approval.

#### **STATE PROJECT**

#### TRUNKLINE CONTRACT

1. Letting of 2021 CMGC Letting Letting Call: 2101 702

Project: 81075-203659
Local Agreement:

Start Date: October 2021

Completion Date: November 2022

Prequalification Level: \$5,177,445.00

Pin and hanger replacement, bearing replacement, and bridge rehabilitation on US-23BR/M-14 over the Huron River in the city of Ann Arbor, Washtenaw County. This project will be constructed using a Construction Manager / General Contractor contracting method.

0.00 % DBE participation required

On receipt of your approval, projects will, at the Director's discretion, be processed and awarded to the low bidder. I approve the project described in this agenda and authorize the award by the responsible management staff of MDOT to the extent authorized by and in accordance with the December 14, 1983, resolution of the State Transportation Commission and the Director's delegation memorandum of April 7, 2021.

Respectfully submitted,

Paul C. Ajegba Director



**DATE:** July 26, 2021

**TO:** State Transportation Commission

**FROM:** Jack Cotter, CPA, CGMA

Commission Auditor

Office of Commission Audits

**SUBJECT:** Justification Memorandums

Attached for your information are the department's justification memorandums for Exhibit A-2 items where the low bid exceeded the engineer's estimate by more than ten percent.

Signed copy on file

Jack Cotter, CPA, CGMA Commission Auditor

Attachments

cc: T. Hagon



**DATE:** July 21, 2021

**TO:** Patrick J. McCarthy, Director

Bureau of Finance and Administration

**FROM:** Bradley C. Wieferich, Director

Bureau of Development

SUBJECT: Justification Memo for Bid Acceptance in Excess of 10 Percent of Engineer

Estimate

Letting Date: July 9, 2021

Project Description: Placing scour countermeasures, articulating concrete block, riprap and

earth work on M-13/M-84 over the West Channel of the Saginaw River, US-127 over Pine River and over Chippewa River and US-10 over Sturgeon Creek at 7 bridges in the cities of Bay City, St. Louis and

Midland, Bay, Gratiot, Isabella and Midland Counties.

Project Number: 09032-203156-2

Item Number: 2107 028

Low Bidder: Fisher Contracting Company

Eng. Est: \$1,106,849.82 Low Bid: \$1,819,938.05 Difference: \$713,088.23 Percent: 64.43

The following shows the engineer's estimate and the proposed bids received for this project:

Engineer's Estimate \$1,106,849.82 Fisher Contracting Company \$1,819,938.05 Anlaan Corporation \$2,318,476.13

#### **EXPLANATION FOR DIFFERENCES**

The low bidder had unit prices that varied from the normal range. The main items found to be higher than the engineer's estimate were riprap, plain; riprap, special, class II; and minor traffic devices. These items were bid higher than normal due to the location of the structures and difficulty in placing riprap under variable water depth. This project involves four locations and seven bridges spread over four counties. The mobilization of equipment and materials will be required multiple times. In addition, the riprap will be used to cover scour holes and protect the channel bottom. Due to the challenge of water diversion and need for always maintaining flow, the bid prices for the riprap items may be higher to account for the multi-stage placement and excavation for the bury toe of the riprap. The estimator considered these factors when estimating this project but was unable to precisely predict the unit prices.

#### **OVERALL CONCLUSION**

As indicated in the above analysis, the low bid is over the engineer's estimate because of the location of the structures and difficulty in placing riprap under variable water depth. This project received two bids of \$1,819,938.05 and \$2,318,476.13, which varied by 27.39 percent. We believe that rejecting this bid and re-letting this project will not result in lower bids, and the low bid should be considered reasonable based on the factors discussed.

The Bureau of Development and the Bay Region Office request that this project be awarded to the low bidder, based on the above conclusion.

## Director, Bureau of Development

J. Cotter	D. Harr	S. Thurman	T. Kratofil	Director Ajegba
R. Welter	L. Strzalka	E. Poole	C. Rademacher	MDOT-eProposal
K. Schuster	J. Hinkle	M. Shulick	C. Tennes	R. Worgess-Carveth
M. Irish	D. Potvin	H. Stinson	H. Hinchcliff	K. Farlin
L. Bretz	C. Masseau	D. Grover	J. Gutting	T. Sauter
J. O'Leary	T. Avramenko	A. Houska	K. Kirkpatrick	A. Mahdavi
S. Bates	J. Garza	R. Ranck	M. Chynoweth	R. Curtis
	K. Schuster M. Irish L. Bretz J. O'Leary	R. Welter L. Strzalka K. Schuster J. Hinkle M. Irish D. Potvin C. Masseau J. O'Leary T. Avramenko	R. Welter L. Strzalka E. Poole K. Schuster J. Hinkle M. Shulick M. Irish D. Potvin H. Stinson L. Bretz C. Masseau D. Grover J. O'Leary T. Avramenko A. Houska	R. Welter L. Strzalka E. Poole C. Rademacher K. Schuster J. Hinkle M. Shulick C. Tennes M. Irish D. Potvin H. Stinson H. Hinchcliff L. Bretz C. Masseau D. Grover J. Gutting J. O'Leary T. Avramenko A. Houska K. Kirkpatrick

BOD:DD:QA:DLP:raw



**DATE:** July 14, 2021

**TO:** Patrick J. McCarthy, Director

Bureau of Finance and Administration

**FROM:** Bradley C. Wieferich, Director

Bureau of Development

SUBJECT: Justification Memo for Bid Acceptance in Excess of 10 Percent of Engineer

Estimate

Letting Date: July 9, 2021

Project Description: Bridge rehabilitation includes concrete barrier repairs, structural steel

repairs, deck scaling, substructure patching and temporary supports at 11 locations on US-127, I-496 and I-96 in the city of Lansing, Ingham and

Livingston Counties.

Project Number: 33045-209729 Item Number: 2107 030

Low Bidder: Anlaan Corporation

Eng. Est: \$1,351,848.41 Low Bid: \$1,608,036.83 Difference: \$256,188.42 Percent: 18.95

The following shows the engineer's estimate and the proposed bids received for this project:

Engineer's Estimate \$1,351,848.41 Anlaan Corporation \$1,608,036.83 C. A. Hull Co., Inc. \$1,633,571.88 Davis Construction, Inc. \$1,902,895.79

#### **EXPLANATION FOR DIFFERENCES**

The low bidder had unit prices that varied from the normal range. The main items found to be higher than the engineer's estimate were structures, rehabilitation, remove portions for four structures, and minor traffic devices. These items were bid higher than normal due to the project schedule and multiple locations. This project will start late summer and must be completed this calendar year. Additionally, the scope involves relatively small amounts of work at each location, resulting in less efficient operations. The traffic controls require single lane closures multiple times, at eleven locations, and a significant amount of labor will be necessary to set up and remove lane closures. The estimator considered these factors when estimating this project but was unable to precisely predict the unit prices.

### **OVERALL CONCLUSION**

As indicated in the above analysis, the low bid is over the engineer's estimate because of the project schedule and multiple locations. This project received three bids ranging from \$1,608,036.83 to \$1,902,895.79, which varied by 18.34 percent. The two lowest bids varied by 1.59 percent. We believe that rejecting this bid and re-letting this project will not result in lower bids, and the low bid should be considered reasonable, based on the factors discussed.

The Bureau of Development and the University Region Office request that this project be awarded to the low bidder, based on the above conclusion.

## Director, Bureau of Development

cc:	J. Cotter	D. Harr	S. Thurman	T. Kratofil	Director Ajegba
	V. Lake	R. Welter	L. Strzalka	C. Rademacher	MDOT-eProposal
	K. Schuster	J. Hinkle	M. Shulick	C. Tennes	R. Worgess-Carveth
	M. Irish	D. Potvin	H. Stinson	H. Hinchcliff	K. Farlin
	L. Bretz	C. Masseau	D. Grover	J. Gutting	E. Poole
	T. Sauter	J. O'Leary	T. Avramenko	A. Houska	K. Kirkpatrick
	J. Triezenberg	J. Early	E. Chelotti	D. Parker	M. Chynoweth
	R. Curtis	•			•

BOD:DD:QA:DLP:raw



**DATE:** July 20, 2021

**TO:** Patrick J. McCarthy, Director

Bureau of Finance and Administration

**FROM:** Bradley C. Wieferich, Director

Bureau of Development

SUBJECT: Justification Memo for Bid Acceptance in Excess of 10 Percent of Engineer

Estimate

Letting Date: July 9, 2021

Project Description: Bridge rehabilitation includes deck patching, expansion joint replacement,

bridge barrier repair, silane on barriers and brush blocks, epoxy overlay and healer sealer on US-31BR over US-31 and US-31 over the north

branch of Pentwater River, Mason and Oceana Counties.

Project Number: 64015-207987

Item Number: 2107 039

Low Bidder: Anlaan Corporation

Eng. Est: \$739,108.34 Low Bid: \$893,817.38 Difference: \$154,709.04 Percent: 20.93

The following shows the engineer's estimate and the proposed bids received for this project:

Engineer's Estimate \$739,108.34 Anlaan Corporation \$893,817.38 Milbocker and Sons, Inc. \$1,065,416.88

#### **EXPLANATION FOR DIFFERENCES**

The low bidder had unit prices that varied from the normal range. The main item found to be higher than the engineer's estimate was minor traffic devices. These items were bid higher than normal due to the project schedule and traffic restrictions. This project is scheduled to being this summer with major items of work that must be completed, including road and bridges, fully open to traffic by November 5, 2021. One lane of traffic, in each direction, must always be maintained on US-31. Additionally, construction will be done in multiple stages using various lane and shoulder closures throughout the project. The work to set up and remove closures multiple times within each stage and location led to an increase in cost to the minor traffic devices. The estimator considered these factors when estimating this project but was unable to precisely predict the unit prices.

#### **OVERALL CONCLUSION**

As indicated in the above analysis, the low bid is over the engineer's estimate because of the project schedule and maintaining traffic constraints. This project received two bids of \$893,817.38 and \$1,065,416.88, which varied by 19.20 percent. We believe that rejecting this bid and re-letting this project will not result in lower bids, and the low bid should be considered reasonable based on the factors discussed.

The Bureau of Development and the Muskegon Transportation Service Center request that this project be awarded to the low bidder, based on the above conclusion.

## Director, Bureau of Development

cc:	J. Cotter	D. Harr	S. Thurman	T. Kratofil	Director Ajegba
	R. Curtis	R. Welter	L. Strzalka	C. Rademacher	MDOT-eProposal
	K. Schuster	J. Hinkle	M. Shulick	C. Tennes	R. Worgess-Carveth
	M. Irish	D. Potvin	H. Stinson	H. Hinchcliff	K. Farlin
	L. Bretz	C. Masseau	D. Grover	J. Gutting	E. Poole
	T. Sauter	J. O'Leary	T. Avramenko	A. Houska	K. Kirkpatrick
	J. DeRuyver	G. Zack	S. Rozema	E. Kind	M. Chynoweth

BOD:DD:QA:RWC:raw



**DATE:** July 16, 2021

**TO:** Patrick J. McCarthy, Director

Bureau of Finance and Administration

**FROM:** Bradley C. Wieferich, Director

Bureau of Development

SUBJECT: Justification Memo for Bid Acceptance in Excess of 10 Percent of Engineer

Estimate

Letting Date: July 9, 2021

Project Description: Bridge removal and replacement with 27 inch prestressed concrete box

beams and approach work on Front Street over Boardman River in the city

of Traverse City, Grand Traverse County.

Project Number: 28005-112347 Item Number: 2107 008

Low Bidder: Anlaan Corporation

Eng. Est: \$2,035,593.34 Low Bid: \$3,798,914.96 Difference: \$1,763,321.62 Percent: 86.62

The following shows the engineer's estimate and the proposed bids received for this project:

Engineer's Estimate \$2,035,593.34 Anlaan Corporation \$3,798,914.96 Grand River Construction, Inc. \$4,699,776.25

#### **EXPLANATION FOR DIFFERENCES**

The low bidder had unit prices that varied from the normal range. The main items found to be bid higher than the engineer's estimate are for hot mix asphalt, minor traffic devices, and bridge construction items (structures, remove; cofferdams; cofferdams, left in place; pile driving equipment; steel pile; substructure concrete and the superstructure concrete, form, finish and cure night casting and superstructure concrete, night casting). There are no existing plans for this bridge, which is in a high traffic urban tourist area with multiple utilities and businesses adjacent to each quadrant, limiting the contractor's staging areas and workspace. In addition, there are environmental restrictions for construction activities in the floodplain and river, as well as requirements to maintain waterway traffic. This will make construction operations for the bridge items, asphalt paving, and minor traffic devices challenging and time consuming, increasing the bid prices for these items. The local agency estimator considered several factors when estimating this project but was unable to precisely predict the unit prices.

#### **OVERALL CONCLUSION**

As indicated in the above analysis, the low bid is over the engineer's estimate due to the bridge location in a high traffic urban tourist area with limited staging areas and workspace. The

project received two bids of \$3,798,914.96 and \$4,699,776.25 which varied by 23.71 percent. We believe that rejecting this bid and re-letting this project will not result in lower bids, and the low bid should be considered reasonable based on the factors discussed.

The Bureau of Development and the city of Traverse City request that this project be awarded to the low bidder, based on the above conclusion.

## Director, Bureau of Development

cc: J. Cotter	D. Harr	S. Thurman	T. Kratofil	Director Ajegba
R. Welte	r L. Strzalka	C. Rademacher	A. Houska	MDOT-eProposal
K. Schus	ter J. Hinkle	M. Shulick	C. Tennes	R. Worgess-Carveth
D. Potvii	n M. Irish	H. Stinson	H. Hinchcliff	K. Farlin
L. Bretz	C. Masseau	D. Grover	J. Gutting	E. Poole
J. O'Lea	ry K. Kirkpatrick	T. Sauter	T. Avramenko	R. Curtis
R. Levin	e J. Mathieu	G. Deans	S. Thayer	M. Chynoweth

BOD:DD:QA:MJI:raw



**DATE:** July 15, 2021

**TO:** Patrick J. McCarthy, Director

Bureau of Finance and Administration

FROM: Bradley C. Wieferich, Director

Bureau of Development

SUBJECT: Justification Memo for Bid Acceptance in Excess of 10 Percent of Engineer

Estimate

Letting Date: July 9, 2021

Project Description: 36.8 mi of tree removal, clearing, horticultural work, drainage, hot mix

asphalt approach, concrete driveway and signing along various routes,

Tuscola County.

Project Number: 79051-210364 Item Number: 2107 035

Low Bidder: Wonsey Tree Service, Inc.

Eng. Est: \$939,893.00 Low Bid: \$1,100,125.74 Difference: \$160,232.74 Percent: 17.05

The following shows the engineer's estimate and the proposed bids received for this project:

Engineer's Estimate	\$ 939,893.00
Wonsey Tree Service, Inc.	\$1,100,125.74
Nicol & Sons, Inc.	\$1,153,132.00
Superior Contracting Group L.L.C.	\$1,164,588.00
Rohde Bros. Excavating, Inc.	\$1,323,703.00
L.J. Construction, Inc.	\$1,456,319.00
Zito Construction	\$1,478,544.00

#### **EXPLANATION FOR DIFFERENCES**

The low bidder had unit prices that varied from the normal range. The main items found to be bid higher than the engineer's estimate are clearing, tree removals, hot mix asphalt approach, and horticultural work. Clearing, tree removals, and hot mix asphalt approach are spread over 36.8 miles. Also, date restrictions for completion of horticultural work (December 2021), tree removals (March 2022) and asphalt placement (May 2022) will require multiple mobilizations to the site. With the project work area covering 36.8 miles, as well as the various date restrictions, create low productivity and more labor-intensive work, increasing the bid prices for these items. In addition, the horticultural work must be supervised by an International Society of Arboriculture (ISA) certified arborist, which impacts the bid price for that pay item. The local agency estimator considered several factors when estimating this project but was unable to precisely predict the unit prices.

#### **OVERALL CONCLUSION**

As indicated in the above analysis, the low bid is over the engineer's estimate because of the amount of work spread over 36.8 miles, date restrictions assigned to the items of work, and the requirement for an ISA certified arborist. This project received six bids ranging from \$1,100,125.74 to \$1,478,544.00, which varied by 34.40 percent. However, the three lowest bids varied by only 5.86 percent. We believe that rejecting this bid and re-letting this project will not result in lower bids, and the low bid should be considered reasonable, based on the factors discussed.

The Bureau of Development and the Tuscola County Road Commission request that this project be awarded to the low bidder, based on the above conclusion.

## Director, Bureau of Development

cc:	J. Cotter	D. Harr	S. Thurman	T. Kratofil	Director Ajegba
	V. Lake	R. Welter	L. Strzalka	C. Rademacher	MDOT-eProposal
	K. Schuster	J. Hinkle	M. Shulick	C. Tennes	R. Worgess-Carveth
	D. Potvin	M. Irish	H. Stinson	H. Hinchcliff	K. Farlin
	L. Bretz	C. Masseau	D. Grover	J. Gutting	E. Poole
	J. O'Leary	K. Kirkpatrick	T. Sauter	T. Avramenko	A. Houska
	P. Blazo	C. Innis	J. Garza	R. Ranck	

BOD:DD:QA:MJI:raw



**DATE:** July 20, 2021

**TO:** Patrick J. McCarthy, Director

Bureau of Finance and Administration

**FROM:** Bradley C. Wieferich, Director

Bureau of Development

SUBJECT: Justification Memo for Bid Acceptance in Excess of 10 Percent of Engineer

Estimate

Letting Date: July 9, 2021

Project Description: Bridge replacement and approach work on Middle Belt Road over Bell

Creek, Wayne County.

Project Number: 82000-207702 Item Number: 2107 040

Low Bidder: E. C. Korneffel Co.

Eng. Est: \$2,407,079.25 Low Bid: \$3,379,983.27 Difference: \$972,904.02 Percent: 40.42

The following shows the engineer's estimate and the proposed bids received for this project:

Engineer's Estimate	\$2,407,079.25
E. C. Korneffel Co.	\$3,379,983.27
Z Contractors, Inc.	\$3,468,876.91
Toebe Construction LLC	\$3,589,487.63
Dan's Excavating, Inc.	\$4,197,148.51
C. A. Hull Co., Inc.	\$4,795,453.14

#### **EXPLANATION FOR DIFFERENCES**

The low bidder had unit prices that varied from the normal range. The main items found to be bid higher than the engineer's estimate are the bridge construction items, (structures, remove; excavation, foundation; pile driving equipment; substructure concrete and prestressed concrete box beams). This project is required to be built part-width while always maintaining two-way traffic, and has a final completion date of November 15, 2021. Constructing the bridge part-width under an expedited schedule has caused the bid prices for the bridge construction items to be higher than estimated. The local agency estimator considered several factors when estimating this project but was unable to precisely predict the unit prices.

#### **OVERALL CONCLUSI ON**

As indicated in the above analysis, the low bid is over the engineer's estimate because the bridge must be constructed part-width while maintaining two-way traffic and is on an expedited schedule for completion. This project received five bids ranging from \$3,379,983.27 to \$4,795,453.14, which varied by 41.88 percent. However, the top three bids varied by only 6.20

percent. We believe that rejecting this bid and re-letting this project will not result in lower bids, and the low bid should be considered reasonable based on the factors discussed.

The Bureau of Development and the Wayne County Department of Public Services request that this project be awarded to the low bidder, based on the above conclusion.

## Director, Bureau of Development

cc:	J. Cotter	D. Harr	S. Thurman	T. Kratofil	Director Ajegba
	R. Welter	L. Strzalka	E. Poole	C. Rademacher	MDOT-eProposal
	K. Schuster	J. Hinkle	M. Shulick	C. Tennes	R. Worgess-Carveth
	D. Potvin	M. Irish	H. Stinson	H. Hinchcliff	K. Farlin
	L. Bretz	C. Masseau	D. Grover	J. Gutting	A. Houska
	J. O'Leary	K. Kirkpatrick	T. Sauter	T. Avramenko	R. Levine
	W. Erben	E. Chelotti	D. Parker	R. Curtis	M. Chynoweth

BOD:DD:QA:MJI:raw



**DATE:** July 15, 2021

**TO:** Patrick J. McCarthy, Director

Bureau of Finance and Administration

**FROM:** Bradley C. Wieferich, Director

Bureau of Development

SUBJECT: Justification Memo for Bid Acceptance in Excess of 10 Percent of Engineer

Estimate

Letting Date: July 9, 2021

Project Description: 0.13 mi of hot mix asphalt reconstruction, storm sewer, earthwork,

concrete sidewalk and ramps and pavement markings on 3rd Street and Broad Street from 4th Street to Central Street in the city of Dexter,

Washtenaw County.

Project Number: 81000-205585

Item Number: 2107 052

Low Bidder: All Star Power Excavation LLC

Eng. Est: \$660,570.50 Low Bid: \$734,911.94 Difference: \$74,341.44 Percent: 11.25

The following shows the engineer's estimate and the proposed bids received for this project:

Engineer's Estimate	\$660,570.50
All Star Power Excavation LLC	\$734,911.94
Fonson Company, Inc.	\$761,544.84
C & D Hughes, Inc.	\$789,248.69
E.T. MacKenzie Company	\$799,057.70
Angelo Iafrate Construction Company	\$837,443.94
Dunigan Bros, Inc.	\$903,625.31
Audia Concrete Construction, Inc.	\$1,098,262.70

#### **EXPLANATION FOR DIFFERENCES**

The low bidder had unit prices that varied from the normal range. The main items found to be bid higher than the engineer's estimate were station grading, hot mix asphalt items, and decorative concrete pavement. This project will be constructed over two construction seasons, with most of the work being performed in 2022. The quantities for the major items of work are small, leading to an increase in costs for station grading, hot mix asphalt, and decorative concrete. Additionally, this project has several types of work to be performed in a relatively small space. This will require multiple mobilizations of equipment and materials, increasing costs. The local agency estimator considered several factors when estimating this project but was unable to precisely predict the unit prices.

#### **OVERALL CONCLUSION**

As indicated in the above analysis, the low bid is over the engineer's estimate because of multiple construction seasons, small quantities, and multiple mobilizations of equipment and materials. This project received seven bids ranging from \$734,911.94 through \$1,098,262.70, which varied by 49.44 percent. The two lowest bids varied by just 3.62 percent. We believe that rejecting this bid and re-letting this project will not result in lower bids, and the low bid should be considered reasonable based on the factors discussed.

The Bureau of Development and the city of Dexter request that this project be awarded to the low bidder, based on the above conclusion.

#### Director, Bureau of Development

C	e: J. Cotter	D. Harr	S. Thurman	T. Kratofil	Director Ajegba
	V. Lake	R. Welter	L. Strzalka	C. Rademacher	MDOT-eProposal
	K. Schuster	J. Hinkle	M. Shulick	C. Tennes	R. Worgess-Carveth
	D. Potvin	M. Irish	H. Stinson	H. Hinchcliff	K. Farlin
	L. Bretz	C. Masseau	D. Grover	J. Gutting	E. Poole
	J. O'Leary	K. Kirkpatrick	T. Sauter	T. Avramenko	A. Houska
	G. Masinda	J. Daavettila	E. Chelotti	D. Parker	

BOD:DD:QA:RWC:raw



**DATE:** July 20, 2021

**TO:** Patrick J. McCarthy, Director

Bureau of Finance and Administration

**FROM:** Bradley C. Wieferich, Director

Bureau of Development

SUBJECT: Justification Memo for Bid Acceptance in Excess of 10 Percent of Engineer

Estimate

Letting Date: July 9, 2021

Project Description: 3.10 mi of concrete reconstruction, curb, gutter, sidewalk and ramps,

bridge replacement, traffic signals optimized using GPS coordination and and pavement markings on Okemos Road from Jolly Road to Central Park

Drive, Ingham County.

Project Number: 33000-203411 Item Number: 2107 065

Low Bidder: Nashville Construction Company

Eng. Est: \$7,021,435.66 Low Bid: \$8,751,992.48 Difference: \$1,730,556.82 Percent: 24.65

The following shows the engineer's estimate and the proposed bids received for this project:

Engineer's Estimate	\$ 7,021,435.66
Nashville Construction Company	\$ 8,751,992.48
Davis Construction, Inc.	\$ 9,415,823.20
Anlaan Corporation	\$10,270,780.50
Hardman Construction, Inc.	\$10,344,308.28
E.T. MacKenzie Company	\$10,479,667.53
Milbocker and Sons, Inc.	\$10,884,699.02

#### **EXPLANATION FOR DIFFERENCES**

The low bidder had unit prices that varied from the normal range. The main items found to be bid higher than the engineer's estimate are minor traffic devices, and bridge construction items (structures, remove; cofferdams; pile driving equipment; steel pile; superstructure concrete, night casting; and the furnish and erect pay items for the prestressed concrete bulb-tee beams). This project includes bridge removal and replacement in conjunction with underground drainage and signal work, requiring multiple stages and coordination with utilities. This coordination, in addition to maintaining traffic, will require iterations of demolition and construction of the bridge over a long-term progress schedule (2023 completion date). This makes the overall construction operations low production and more costly, causing the bid items for minor traffic devices and bridge construction items to be bid higher than estimated. The local agency

estimator considered several factors when estimating this project but was unable to precisely predict the unit prices.

#### **OVERALL CONCLUSION**

As indicated in the above analysis, the low bid is over the engineer's estimate because the bridge must be constructed in multiple stages to coordinate with other project work and maintaining traffic. The project received six bids ranging from \$8,751,992.48 to \$10,884,699.02, which varied by 24.37 percent. However, the two lowest bids varied by only 7.58 percent. We believe that rejecting this bid and re-letting this project will not result in lower bids, and the low bid should be considered reasonable based on the factors discussed.

The Bureau of Development and the Ingham County Road Department request that this project be awarded to the low bidder, based on the above conclusion.

## Director, Bureau of Development

cc:	J. Cotter	D. Harr	S. Thurman	T. Kratofil	Director Ajegba
	R. Welter	L. Strzalka	E. Poole	C. Rademacher	MDOT-eProposal
	K. Schuster	J. Hinkle	M. Shulick	C. Tennes	R. Worgess-Carveth
	D. Potvin	M. Irish	H. Stinson	H. Hinchcliff	K. Farlin
	L. Bretz	C. Masseau	D. Grover	J. Gutting	A. Houska
	J. O'Leary	K. Kirkpatrick	T. Sauter	T. Avramenko	R. Curtis
	R. Levine	C. Grembel	E. Chelotti	D. Parker	M. Chynoweth

BOD:DD:QA:MJI:raw

# REQUEST FOR MICHIGAN STATE TRANSPORTATION COMMISSION APPROVAL LETTING EXCEPTIONS AGENDA

July 30, 2021

#### TRUNKLINE CONTRACTS

1. Letting of July 9, 2021 Letting Call: 2107 028

Project: NH 09032-203156-2

Local Agreement:

Start Date: August 2, 2021

Completion Date: August 5, 2022

Low Bid: **\$1,819,938.05** 

Engineer Estimate: \$1,106,849.82 Pct Over/Under Estimate: 64.43 %

Placing scour countermeasures, articulating concrete block, riprap and earth work on M-13/M-84 over the West Channel of the Saginaw River, US-127 over Pine River and over Chippewa River and US-10 over Sturgeon Creek at 7 bridges in the cities of Bay City, St. Louis and Midland, Bay, Gratiot, Isabella, and Midland Counties.

3.00 % DBE participation required

Bidder	As-Submitted	As-Check	ked
Fisher Contracting Company	\$1,819,938.05	Same	1 **
Anlaan Corporation	\$2,318,476.13	Same	2

Total Number of Bidders: 2

Letting of July 9, 2021
 Letting Call: 2107 030
 Project: M 33045-209729

Local Agreement:

Start Date: July 26, 2021

Completion Date: November 15, 2021

Low Bid: **\$1,608,036.83** 

Engineer Estimate: \$1,351,848.41 Pct Over/Under Estimate: 18.95 % Bridge rehabilitation includes concrete barrier repairs, structural steel repairs, deck scaling, substructure patching and temporary supports at 11 locations on US-127, I-496 and I-96 in the city of Lansing, Ingham, and Livingston Counties.

#### 0.00 % DBE participation required

Bidder	As-Submitted	As-Checked	
Anlaan Corporation C. A. Hull Co., Inc.	<b>\$1,608,036.83</b> \$1,633,571.88	Same Same	<b>1</b> ** 2
Davis Construction, Inc.	\$1,902,895.79	Same	3

Total Number of Bidders: 3

3. Letting of July 9, 2021 Letting Call: 2107 039

Letting Call: 2107 039

Project: M 64015-207987

Local Agreement:

Low Bid: \$893,817.38

Engineer Estimate: \$739,108.34

Pct Over/Under Estimate: 20.93 %

Start Date: 10 days after award Completion Date: June 17, 2022

Bridge rehabilitation includes deck patching, expansion joint replacement, bridge barrier repair, silane on barriers and brush blocks, epoxy overlay and healer sealer on US-31BR over US-31 and US-31 over the north branch of Pentwater River, Mason, and Oceana Counties. This project includes a 5 year epoxy overlay warranty.

#### 0.00 % DBE participation required

Bidder	As-Submitted	As-Check	red
Anlaan Corporation	\$893,817.38	Same	1 **
Milbocker and Sons, Inc.	\$1,065,416.88	Same	2

### **LOCAL AGENCY CONTRACTS**

4. Letting of July 9, 2021

Letting Call: 2107 008
Project: MCS 28005-112347

Local Agreement: 21-5262 Start Date: 10 days after award Completion Date: June 24, 2022 Low Bid: **\$3,798,914.96** 

Engineer Estimate: \$2,035,593.34 Pct Over/Under Estimate: 86.62 %

Bridge removal and replacement with 27 inch prestressed concrete box beams and approach work on Front Street over Boardman River in the city of Traverse City, Grand Traverse County. This is a Local Agency project.

0.00 % DBE participation required

Bidder	As-Submitted	As-Check	ked
Anlaan Corporation	\$3,798,914.96	Same	1 **
Grand River Construction, Inc.	\$4,699,776.25	Same	2

Total Number of Bidders: 2

5. Letting of July 9, 2021

Letting Call: 2107 035 Low Bid: **\$1,100,125.74** 

Project: HRRR 79051-210364 Engineer Estimate: \$939,893.00 Local Agreement: 21-5222 Pct Over/Under Estimate: 17.05 %

Start Date: 10 days after award Completion Date: July 29, 2022

36.8 mi of tree removal, clearing, horticultural work, drainage, hot mix asphalt approach, concrete driveway and signing along various routes, Tuscola County. This is a Local Agency project

#### 4.00 % DBE participation required

Bidder	As-Submitted	As-Checked	
Wonsey Tree Service, Inc.	\$1,100,125.74	Same	1 **
Nicol & Sons, Inc.	\$1,153,132.00	Same	2
Superior Contracting Group L.L.C.	\$1,164,588.00	Same	3
Rohde Bros. Excavating, Inc.	\$1,323,703.00	Same	4
L.J. Construction, Inc.	\$1,456,319.00	Same	5
Zito Construction	\$1,478,544.00	Same	6

6. Letting of July 9, 2021 Letting Call: 2107 040

Letting Call: 2107 040

Project: MCS 82000-207702

Local Agreement: 21-5266

Low Bid: \$3,379,983.27

Engineer Estimate: \$2,407,079.25

Pct Over/Under Estimate: 40.42 %

Start Date: 10 days after award Completion Date: November 15, 2021

Bridge replacement and approach work on Middle Belt Road over Bell Creek, Wayne County. This is a Local Agency project.

#### 0.00 % DBE participation required

Bidder	As-Submitted	As-Check	ked
E. C. Korneffel Co.	\$3,379,983.27	Same	1 **
Z Contractors, Inc.	\$3,468,876.91	Same	2
Toebe Construction LLC	\$3,589,487.63	Same	3
Dan's Excavating, Inc.	\$4,197,148.51	Same	4
C. A. Hull Co., Inc.	\$4,795,453.14	Same	5

Total Number of Bidders: 5

7. Letting of July 9, 2021

Letting Call: 2107 052

Project: STU 81000-205585

Local Agreement: 21-5282

Low Bid: \$734,911.94

Engineer Estimate: \$660,570.50

Pct Over/Under Estimate: 11.25 %

Local Agreement: 21-5282 Start Date: September 6, 2021

Completion Date: November 15, 2022

0.13 mi of hot mix asphalt reconstruction, storm sewer, earthwork, concrete sidewalk and ramps and pavement markings on 3rd Street and Broad Street from 4th Street to Central Street in the city of Dexter, Washtenaw County. This is a Local Agency project.

#### 5.00 % DBE participation required

As-Submitted As-Check		
\$734,911.94	Same	1 **
\$761,544.84	Same	2
\$789,248.69	Same	3
\$799,057.70	Same	4
\$837,443.94	Same	5
\$903,625.31	Same	6
\$1,098,262.70	Same	7
	<b>\$734,911.94</b> \$761,544.84 \$789,248.69 \$799,057.70 \$837,443.94 \$903,625.31	\$734,911.94 Same \$761,544.84 Same \$789,248.69 Same \$799,057.70 Same \$837,443.94 Same \$903,625.31 Same

8. Letting of July 9, 2021 Letting Call: 2107 065

Project: MCS 33000-203411, ETC

Local Agreement: 21-5294 Start Date: 10 days after award Completion Date: June 1, 2023 Low Bid: **\$8,751,992.48**Engineer Estimate: \$7,021,435.66
Pct Over/Under Estimate: 24.65 %

3.10 mi of concrete reconstruction, curb, gutter, sidewalk and ramps, bridge replacement, traffic signals optimized using GPS coordination and pavement markings on Okemos Road from Jolly Road to Central Park Drive, Ingham County. This is a Local Agency project.

5.00 % DBE participation required

Bidder	As-Submitted	As-Checked	
Nashville Construction Company	\$8,751,992.48	Same	1 **
Davis Construction, Inc.	\$9,415,823.20	Same	2
Anlaan Corporation	\$10,270,780.50	Same	3
Hardman Construction, Inc.	\$10,344,308.28	Same	4
E.T. MacKenzie Company	\$10,479,667.53	Same	5
Milbocker and Sons, Inc.	\$10,884,699.02	Same	6

Total Number of Bidders: 6

On receipt of your approval, projects will, at the Director's discretion, be processed and awarded to the low bidder. I approve the project described in this agenda and authorize the award by the responsible management staff of MDOT to the extent authorized by and in accordance with the December 14, 1983, resolution of the State Transportation Commission and the Director's delegation memorandum of April 7, 2021.

Respectfully submitted,

Paul C. Ajegba, P.E. Director

#### INFORMATION FOR MICHIGAN STATE

#### TRANSPORTATION COMMISSION

July 30, 2021

The following project information is being provided for informational purposes, as requested by the State Transportation Commission

#### TRUNKLINE CONTRACTS

1. Letting of July 9, 2021

Letting Call: 2107 012 Low Bid: **\$257,809.50** 

Project: ST 82024-212228 Engineer Estimate: \$236,984.14 Local Agreement: 21-5179 Pct Over/Under Estimate: 8.79 %

Start Date: 10 days after award Completion Date: November 12, 2021

0.15 mi of landscaping, concrete sidewalk and installation of fencing on East Grand Boulevard over I-94 in the city of Detroit, Wayne County. This is a Small Business Program project. Only those approved by MDOT as a Small Business may be eligible to bid as a prime contractor.

0.00 % DBE participation required

Bidder As-Submitted As-Checked

Warren Contractors & Development, Inc. \$257,809.50 Same 1 \*\*

2. Letting of July 9, 2021 Letting Call: 2107 038

Project: M 33172-212733

Local Agreement: Start Date: August 9, 2021

Completion Date: September 24, 2021

Low Bid: **\$248,486.27** 

Engineer Estimate: \$214,224.80 Pct Over/Under Estimate: 15.99 %

1.83 mi of longitudinal diamond grooving concrete pavement on US-127 from Fernwood Avenue to north of Lake Lansing Road in the cities of Lansing and East Lansing, Ingham County.

0.00 % DBE participation required

Bidder As-Submitted As-Checked

Diamond Coring Company, Inc. \$248,486.27 Same 1 \*\*

Total Number of Bidders: 1

These projects, for which the bid is under Five Hundred Thousand Dollars (\$500,000) and has less than two (2) bidders or is a low bid rejection or have other bid issues, are being submitted for informational purposes. The contracts for these projects will, at the Director's discretion, be processed and awarded to the low bidder. I approve the projects described in this agenda and authorize the award by the responsible management staff of MDOT to the extent authorized by and in accordance with the December 14, 1983, resolution of the State Transportation Commission and the Director's delegation memorandum April 7, 2021.

Respectfully submitted,

Paul C. Ajegba P.E. Director